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DEPT PASS OPIC FORZAHNISER
DEPT PASS TDA FOR STEIN AND GREENIP
CENTCOM FOR CSTC-A
NSC FOR JWOOD
TREASURY FOR LMCDONALD, ABAUKOL, BDAHL, AND MNUGENT
OSD FOR SHIVERS
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SUBJECT: THE MAGNIFICENT SEVEN AGRICULTURAL FAIRS IN
AFGHANISTAN IN 2007

SUMMARY

1. USAID hosted seven successful Agricultural Fairs (AgFairs) in CY 2007 with a variety of partners. Nearly 300,000 people attended the two national AgFairs held in Kabul and five regional AgFairs held in the provinces of Helmand, Nangarhar, Badakhshan, Balkh, and Herat. Agricultural professionals ranging from farmers to farm equipment suppliers and veterinarians had the opportunity to network and gain information that they can apply to improving their farms and agri-businesses. On October 24, 2007, at the Second National AgFair in Kabul, U.S. Ambassador William Wood unveiled the plaque to officially inaugurate the adjacent 57-hectare demonstration farm that was built through the support of USAID. Events took place without security incidents due to cooperation between USAID, the Regional Security Office, ISAF Headquarters, Provincial Reconstruction Teams (PRTs), U.S. Military, and local police and security forces. Local and international press coverage was extensive and positive. End summary.

WHAT IS AGFAIR?

2. AgFair is an agricultural trade show and festival co-sponsored by the Ministry of Agriculture, Irrigation and Livestock (MAIL), the Afghanistan International Chamber of Commerce (AICC) and USAID. The purpose of the fair is to boost private sector

agriculture initiatives, educate farmers on modern farming techniques and raise the profile of the Ministry of Agriculture.

13. AgFair is an excellent example of the public-private partnerships beginning to spring up in Afghanistan. In addition to MAIL, USAID and AICC, several diverse corporate sponsors supported AgFairs including: Kam Air (Airlines), Tolo/Lemar/Arman (Media), Coca Cola (Beverage), Case New Holland (Agricultural and Construction equipment), Cristal Water (Beverage) and the Serena Hotel (Hospitality).

WHERE? NATIONAL AND REGIONAL AGFAIRS

14. The First National AgFair was held in Kabul on April 21-23, 2007. The AgFair was attended by approximately 52,000 Afghan visitors and more than 175 local and international exhibitors participated. Prominent luminaries attending the event included: Mr. David Murdock, CEO, Chairman and Owner of Dole Foods Company; Danko Stambuk, Dole Senior Vice President of Manufacturing; and Overseas Private Investment Corporation (OPIC) President Robert Mosbacher. Local and international media coverage was extensive.

15. The First Agricultural Fair in Lashkar Gah, Helmand was held on August 22 and was organized by the USAID-funded Alternative Development Program South (ADP/S). More than 1,700 people attended,

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including farmers and traders from Herat, Kandahar, Ghazni and Helmand. The event took place without incident due to cooperation between Task Force Helmand and local security forces. The Afghan Innovative Consulting Bureau (AICB) conducted a post event survey by interviewing 28 traders, 15 farms/cooperatives and 36 farmers to track attendance and business transactions. Producers and traders reported \$5,404 in actual sales on the day of the event and \$70,874 of agriculture and related products after the fair (as of September 2007). The main trade products at the AgFair were tractors, agricultural fertilizers, carpets, vegetables and dairy products. Local and international press coverage was extensive, including a positive article by the New York Times on August 26, 2007 featuring the fair and quotes by USAID representatives.

16. The USAID-funded Alternative Development Program for Eastern Afghanistan (ADP/E), MAIL and regional trade associations organized the Jalalabad 2007 Agro-Industrial Trade Fair from September 4-6. The event was aimed at strengthening market linkages in the agricultural supply chain and build trade opportunities as well as help capitalize on its proximity to major domestic and international market centers. More than 12,500 people participated in the event, including more than 90 produce buyers from other regions of Afghanistan, Pakistan, India, Turkey, Tajikistan and Uzbekistan. The exhibitors included over 143 input suppliers, farmers, processors, traders and service providers. Media coverage of the AgFair event was extensive: including 17 media representatives from TV, radio, Internet, newspapers, and news wires. The economic impact reported to date is also impressive as initial sales and transactions include: 400 MT of wheat seeds sold (value of \$160,000); 200 MT of melons exported to India (value of \$78,000); 60,000 fruit trees sold (value of \$72,000). Jalalabad traders and producers also participated in the other

national and regional AgFairs.

17. The Second Kabul AgFair (October 24-26) attracted record crowds and received positive press coverage by approximately 20 media outlets throughout Afghanistan, as well as BBC, The Independent and The Scotsman, both major British daily papers. The fair attracted 175 exhibitors and an estimated 160,000 visitors exceeding pre-fair goals of 165 exhibitors and 100,000 visitors. New farm machinery was demonstrated to Afghan farmers. Key events included the unveiling of the new AgFarm to the public and a Knowledge Center that hosted programs on important agriculture issues. AgFair exhibitors varied from small, women owned businesses to large, multi-national corporations such as DHL. The majority of participants fell into the Agriculture Resources category, which included banks, transportation firms, donors and international NGOs. Participants from the Farm Outputs category, such as dry fruit and nut associations/exporters and fresh fruit producers, were well represented at the fair. Only a few End Products exhibitors (food processors) participated in the fair. USAID's Alternative Development and Agriculture Office is working towards increasing commercial agriculture opportunities. The lack of participants in this sector is probably due to the

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fact that there are few food processing businesses in Afghanistan. Four AgFair networking events took place on and off site. A 50 person Indian delegation also attended the AgFair to network with Afghan companies. A women's networking dinner was held at the Serena Hotel to help women make the most of the AgFair opportunity.

18. The USAID-funded Alternative Development Program North (ADP/N), MAIL and regional trade associations organized the Badakhshan's first-ever Agricultural Fair. The fair attracted an estimated 15,000 attendees over two days (October 29-30), triple the expected attendance rate. 106 exhibitors of agricultural goods, techniques, and crafts from all over Badakhshan participated in the AgFair. Notably, 29 of the 106 exhibitors were women. The AgFair created business connections between cooperatives, traders, and entrepreneurs and allowed information sharing on commercial agricultural techniques between farmers from all across Badakhshan province. While an economic survey is in process, the initial data is promising. Women's groups reported overall strong sales. The First Micro-Finance Bank reported a 10% increase in new clients after exhibiting at the Fair. A women's textile company generated \$1,200 in sales, a huge amount for Badakhshan. Beyond the initial economic impact, the social impact is evident on the impact on local officials. Muhammad Alim, Badakhshan Provincial Director of Agriculture noted that: "At the AgFair, I have seen things that I had never imagined could be found in Badakhshan... This AgFair is successful beyond all my expectations."

19. The first Mazar AgFair (November 1-3) attracted an estimated 36,000 attendees for the two public days. The fair attracted 94 exhibitors in booths, over 100 cultural presentations in tents, four food and beverage vendors, and over a dozen agricultural equipment displays. The Agriculture commercial exhibitors included: 12 seed companies, 17 agricultural associations small and medium sized tool companies/associations; two animal skin companies; eight carpet and handicraft companies; one fertilizer company; two dairy companies; five dry fruit companies; and three livestock businesses. An additional

200 women exhibited handicrafts in the Cultural Center. A demonstration plot was erected to demonstrate various farming technologies and a greenhouse was constructed to demonstrate greenhouse management and water irrigation. Teaching demonstrations also included the use of modern farm machinery. The teaching demonstrations and demo plot enhanced the hourly lecture presented within the Knowledge Center. The 150 seating was almost always at capacity and included topics ranging from marketing, production techniques and water management.

¶10. The Herat AgFair (November 15-18) was completed successfully, despite heightened security risk following the unrelated bomb incident in Baghlan on November 6. More than 20,000 people attended the fair with 150 exhibitors participating. The Herat agricultural trade show featured national and international businessmen, farmers, exhibitors, traders and investors. The Herat AgFair also

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highlighted USAID programs including the Grape Export Program, the Melon Fly Eradication Project, the Trellis Project, Brooding Coops (chicken and egg production), and an ice cream plant. Additionally a greenhouse was on display and farmers had the opportunity to learn about cucumber production. While the Herat AgFair was scaled down after the Baghlan bombing in terms of advertising and entertainment, which were cancelled for political reasons (out of respect for the victims), USAID and partners were able to quickly respond to create a meaningful AgFair.

AGRICULTURE DEMONSTRATION FARM AT BADAM BAGH (KABUL ONLY)

¶11. Adjacent to the Badam Bagh fairgrounds in Kabul is AgFarm, a 57-hectare demonstration farm built through the support of USAID. AgFarm was built to demonstrate new technologies in water resource management, season extension and new fodder crops that are beneficial to the soil.

¶12. A drip irrigation system was introduced to Afghan farmers during the fair. Drip irrigation provides targeted irrigation water to crops. This technology is used by farmers world-wide to increase water efficiency. Improved flood irrigation was also demonstrated through the use of the 6,500,000-liter water reservoir and precision, laser-leveled fields. Additionally, simple siphons were demonstrated. These measures and other simple and technically appropriate measures can improve water use efficiency by more than 30%. AgFarm was designed to show farmers how.

¶13. Visitors to AgFarm also learned about the many test crops that were recently harvested at the farm. Drip irrigation and plastic mulch technology were employed to increase the length of the growing season, save water, and grow higher value crops such as strawberries, tomatoes, peppers, squash, zucchini and okra. New fall and winter crops designed to increase soil nutrition, reduce fertilizer cost, and reduce soil erosion are being planted. These include canola, field peas, fodder oats, and other experimental fodder crops, like turnips. These kinds of crops allow farmers to produce nutritious fodder for their livestock year-round while building up their soil. Visitors were offered the opportunity to take a guided tour of the farm to learn about new

crop possibilities.

¶14. USAID has also installed an improved Kishmish Khana, or raisin drying shed, on the AgFarm. This facility provides shade to dry about 15,000 kg of fresh grapes into about 4,000 kg of premium green raisins. The improved drying shed was developed after researching other drying sheds in the region. The new design produces a prized traditional product with strong market potential under much cleaner and more efficient conditions. There are currently five Kishmish Khana prototypes being tested in Kandahar. Although they have only been in use for one season, initial experience suggests that the redesign reduces wastage by as much as 20%; produces a

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cleaner, more attractive product; and helps Afghan farmers meet market demand in India. Mechanized plows, cultivators and other equipment were demonstrated during the fair.

ECONOMIC IMPACT / FUTURE AGFAIRS

¶16. While AgFair economic impact surveys are in process, overall attendance levels, initial sales transactions, business deals, and impact on foreign firm delegation visits is promising. USAID and implementing partners are already planning the 2008 AgFairs. As the planning progresses, including specific dates and locations, USAID will coordinate closely with partners to generate an even greater impact next year.

COMMENT

¶17. AgFairs work and are becoming a growing tradition and driving force in boosting the agriculture sector in Afghanistan; linking people to partners, ideas and business opportunities. The events have raised the Ministry of Agriculture, Irrigation, and Livestock's profile and have underscored the importance of agriculture in Afghanistan. The seven AgFairs without incident are one of several helpful signs that instills more confidence by Afghans in their government to organize events. End comment.

WOOD